Town of Kiowa, Colorado

Financial Statements

December 31, 2016

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Town of Kiowa, Colorado
Table of Contents
December 31, 2016

Town of Kiowa, Colorado
Table of Contents
December 31, 2016

Independent Auditor's Report

The Board of Trustees
Kiowa, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Kiowa, Colorado (the Town), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

p o box 1173 203 east oak st. lamar, colorado 81052 (719) 336-7428 (719) 336-2982

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and the Local Highway Finance Report are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

April 29, 2017

Management's Discussion and Analysis

This discussion and analysis of the financial performance of the Town of Kiowa, Colorado (Town) provides an overview of the Town's financial activities for the fiscal year ended December 31, 2016. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceed its liabilities at the close of the fiscal year by $366,304. This represents a fairly stable status with an increase of 1.2% since 2015.
- At December 31, 2016, the Town's governmental funds reported combined ending fund balances of $100,370. This marked an increase of $28,858 from the prior year's ending governmental fund balances largely due to a reduction in capital outlay costs for vehicles and equipment during 2016.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Town of Kiowa's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the Town's assets and liabilities, with the difference between the two reported as *Net Position*. Over time, increases or decreases in Net Position may serve as useful indicators of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how the Town's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused personal leave).

Both of the government-wide financial statements distinguish functions of the Town of Kiowa that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety (police), street and road maintenance, park maintenance, and culture and recreation. The business-type activities of the Town include water and wastewater operations.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Kiowa, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds -- Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds. The unrestricted balances left at year-end are available for spending in future years. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the *Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities* provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The Town of Kiowa maintains three individual governmental funds. Information for these funds is presented by fund name in the *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for two of the three governmental funds that meet the criteria to be designated as major funds (General Fund and Road & Street Fund). The other governmental fund (Conservation Trust Fund) is shown in a column titled "Other Governmental Funds." Individual fund data for this non-major governmental fund is provided in the back of this report following the "Notes to Financial Statements."

Proprietary Funds -- The Town's utility services are reported in proprietary funds; they focus on overall economic position rather than year-end fund balances. Enterprise funds are the type of proprietary funds used to account for the Town's Water Operations Fund and Wastewater Operations Fund. These funds began in 2014 when the Town entered into an intergovernmental agreement to operate the water and wastewater systems of the Kiowa Water & Wastewater Authority (KWWA). Enterprise funds report functions presented as business-type activities in the government-wide financial statements, only in more detail.

Notes to the Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately after the basic financial statements

Other information
Budgetary comparison statements or schedules for all funds are included following the "Notes to Financial Statements" to demonstrate each fund's compliance with adopted budgets and appropriations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, Net Position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Kiowa, assets exceed liabilities by $366,304 at the close of 2016. As shown below, the Town's financial position remained fairly static during 2016.

Town of Kiowa's Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	$ 181,413	$ 161,586	$ 23,216	$ 12,517	$ 204,629	$ 174,103
Capital assets, net	265,580	290,019	-	-	265,580	290,019
Total assets	$ 446,993	$ 451,605	$ 23,216	$ 12,517	$ 470,209	$ 464,122
Current liabilities	10,995	-	22,866	12,168	33,858	12,168
Noncurrent Liabilities	-	21,320	-	-	-	21,320
Total liabilities	$ 10,995	$ 21,320	$ 22,866	$ 12,168	$ 33,858	$ 33,488
Deferred inflows of resources	$ 70,044	$ 68,753	$ -	$ -	$ 70,044	$ 68,753
Net position:						
Net investment in capital assets	$ 265,580	$ 290,019	$ -	$ -	$ 265,580	$ 290,019
Restricted	12,008	14,183	-	-	12,008	14,183
Unrestricted	88,366	57,330	350	349	88,716	57,679
Total net position	$ 365,954	$ 361,532	$ 353	$ 349	$ 366,304	$ 361,881

A little over half (56.5%) of the Town's total assets at December 31, 2016 are represented by its investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town uses these capital assets to provide services to residents and businesses; consequently, these assets are not available for future spending. The remainder (43.5%) of the Town's total assets are available to pay for the on-going operations of the Town.

The restricted portion of Net Position ($12,008) at the end of 2016 represents resources that are subject to external restrictions on how they may be used. These are the fund balance reserves required by the Colorado Constitution for emergencies. Total Net Position remained stable in 2016, increasing 1.2% since 2015.

The following chart displays the changes in Net Position experienced by the Town over the last two years. An analysis of the changes in Net Position follows for both the Governmental and Business-type Activities of the Town.

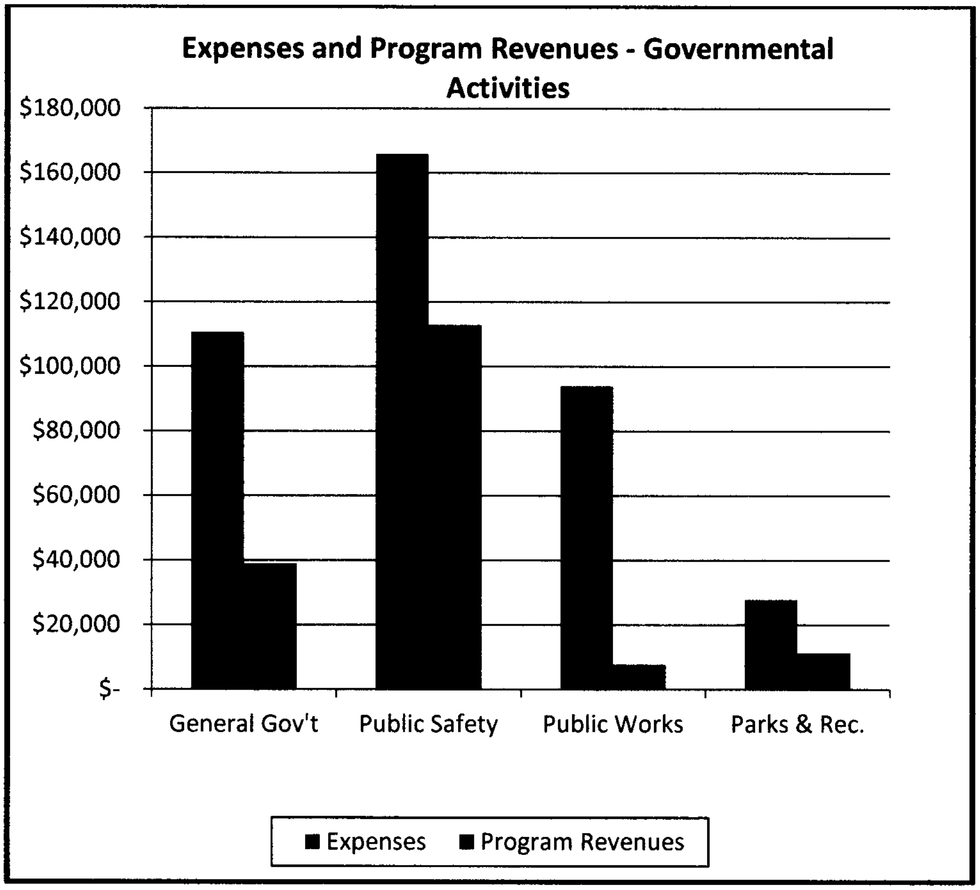
Town of Kiowa's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program revenues:						
Charges for services	$ 160,078	$ 145,365	$ 296,517	$ 298,253	$ 456,595	$ 443,618
Operating grants & contributions	10,519	12,859	-	-	10,519	12,859
Capital grants & contributions	-	5,695	-	-	-	5,695
General revenues:						
Property taxes	68,756	65,916	-	-	68,756	65,916
Franchise, highway & other taxes	72,041	72,584	-	-	72,041	72,584
Sales & specific ownership taxes	88,627	86,791	-	-	88,627	86,791
Unrestricted investment earnings	52	-	1		53	
Other general revenues	2,488	11,499	-	-	2,488	11,499
Total revenues	$ 402,561	$ 400,709	$ 296,518	$ 298,253	$ 699,079	$ 698,962
Program expenses:						
General government	$ 110,635	$ 107,087	$ -	$ -	$ 110,635	$ 107,087
Public safety	165,804	167,132	-	-	165,804	167,132
Public works	93,913	96,581	-	-	93,913	96,581
Community services	27,787	34,995	-	-	27,787	34,995
Water Operations Fund	-	-	146,515	149,033	146,515	149,033
Wastewater Operations Fund	-	-	150,002	149,220	150,002	149,220
Total expenses	$ 398,139	$ 405,795	$ 296,517	$ 298,253	$ 694,656	$ 704,048
Increase/(decrease) before special Items	$ 4,422	$ (5,086)	$ 1	$ -	$ 4,423	(5,086)
Special item - change in compensated Absences		1,692	-	-		1,692
Increase/(decrease)in net position	$ 4,422	$ (3,394)	$ 1	$ -	$ 4,423	$ (3,394)
Net Position, Beginning	361,532	364,926	349	349	361,881	365,275
Net Position, Ending	$ 365,954	$ 361,532	$ 350	$ 349	$ 366,304	$ 361,881

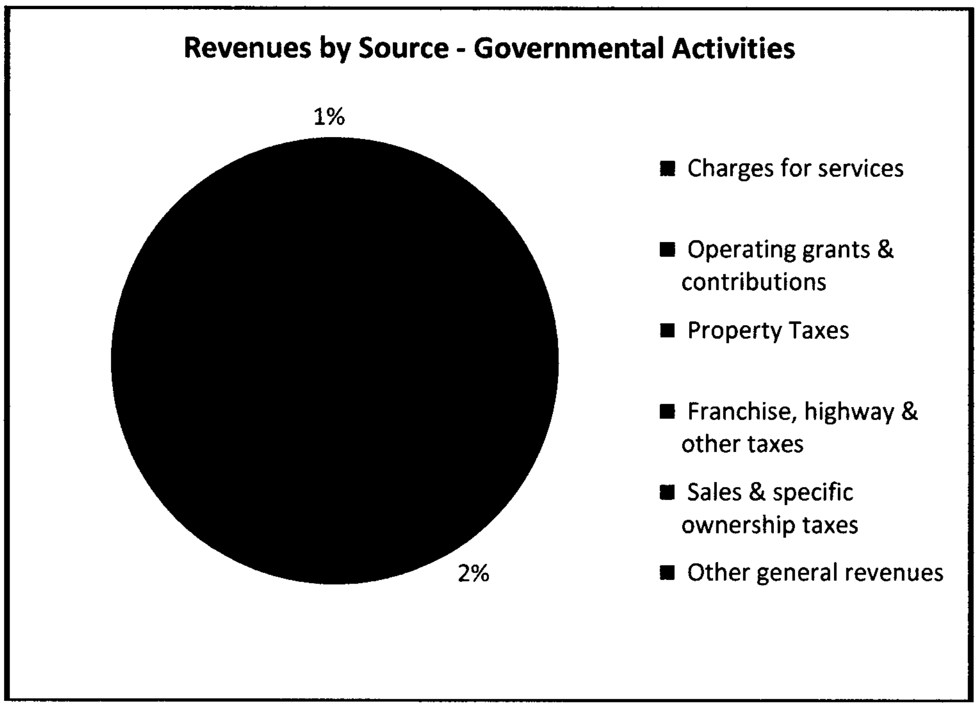
Governmental Activities

Net Position for the Town's Governmental Activities stayed relatively constant with a slight increase of $4,422 (1.2%) in 2016.

The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.



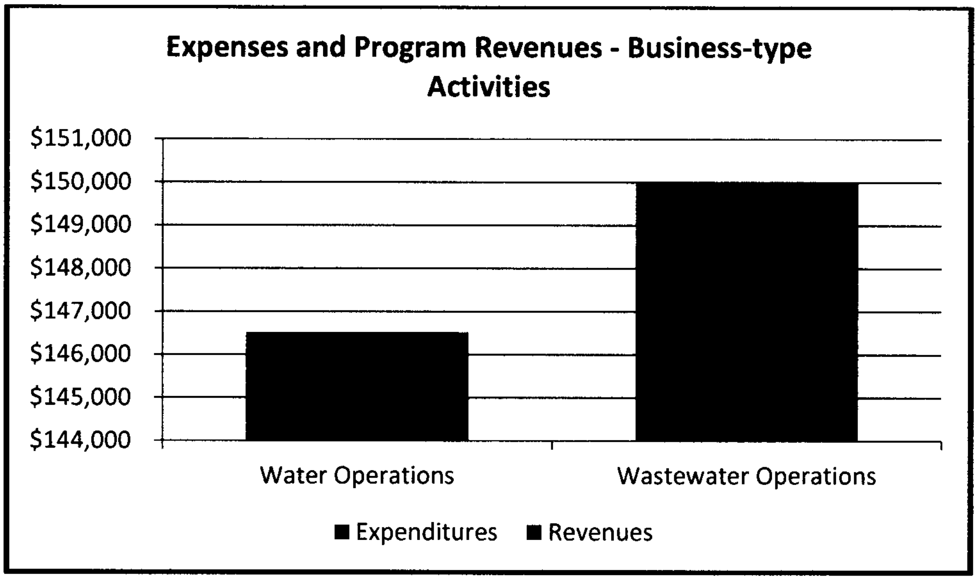
Expenses and Program Revenues - Governmental Activities
$180,000
$160,000
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$-
General Gov't
Public Safety
Public Works
Parks & Rec.
Expenses
Program Revenues

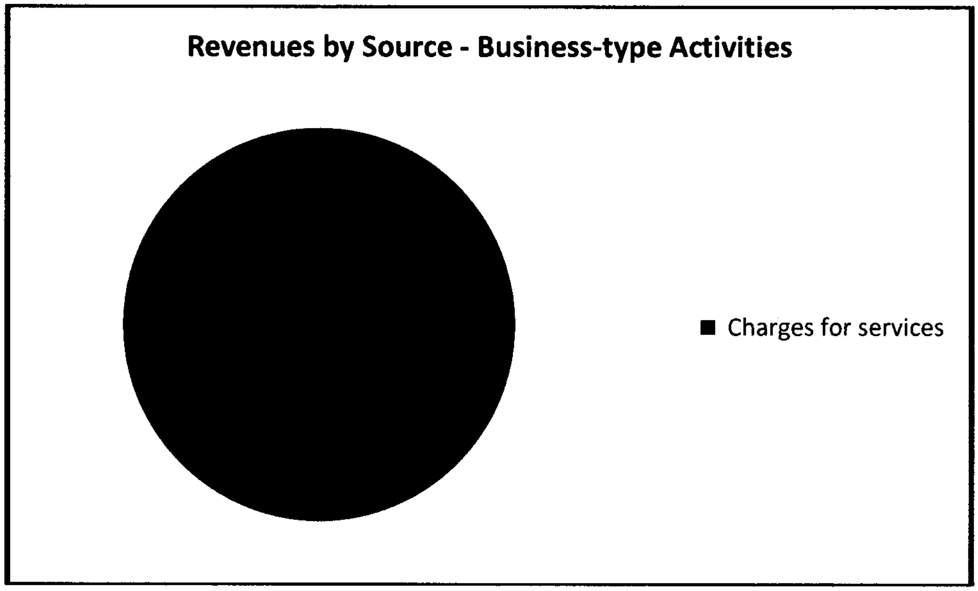


Revenues by Source - Governmental Activities
1%
2%
Charges for services
Operating grants & contributions
Property Taxes
Franchise, highway & other taxes
Sales & specific ownership taxes
Other general revenues

Business-type Activities

The following two charts illustrate the Business-type Activities revenues and expenses for 2016. The Water Operations Fund and the Wastewater Operations Fund track costs of operating the water and wastewater systems for the Kiowa Water & Wastewater Authority (KWWA), as well as the corresponding revenues received from the KWWA for the costs of the services provided.



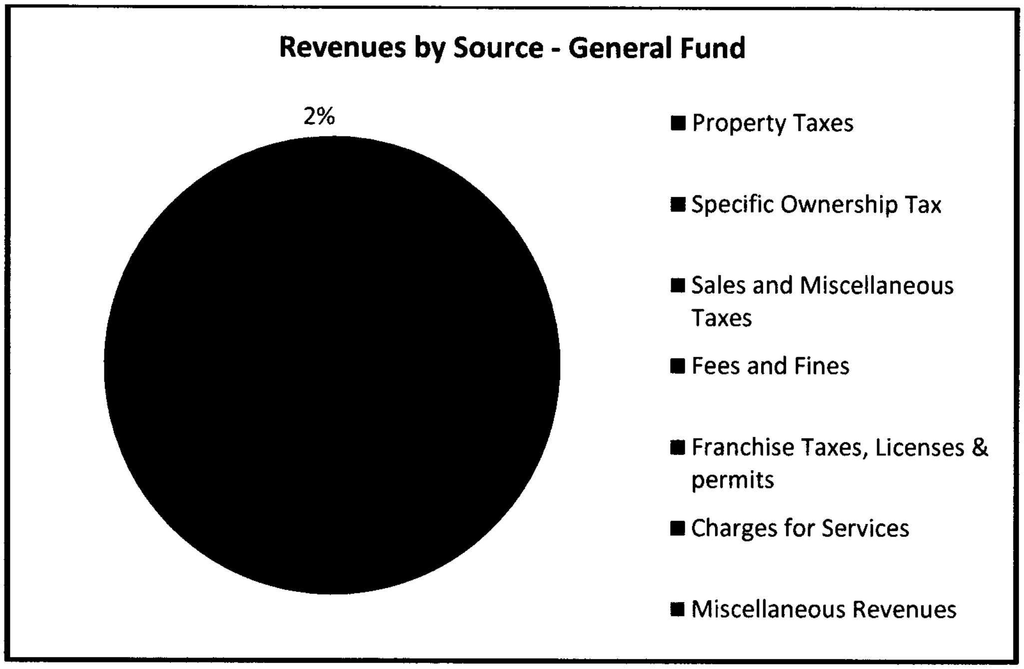


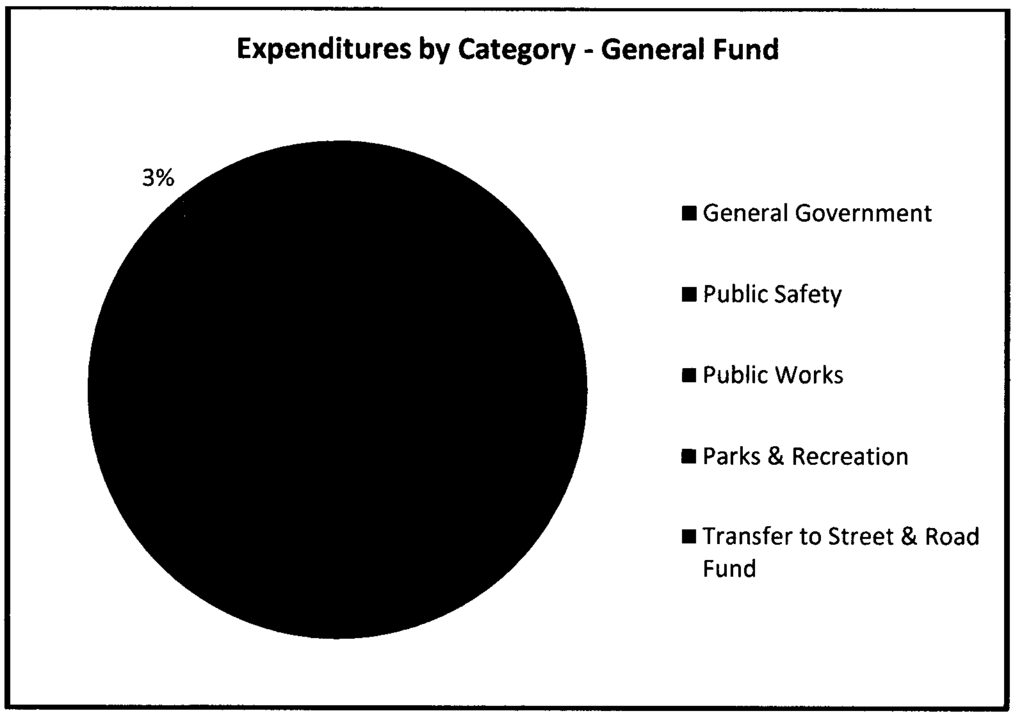
THE TOWN'S FUNDS

As noted earlier, the Town of Kiowa uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unreserved fund balance) in each fund are shown at year end. At December 31, 2016 the Town's two major Governmental funds reported combined unreserved fund balances of $99,243. This is $28,129 more than their combined unreserved balances at the end of 2015, due primarily to reduced capital outlay expenses in 2016. The Town's management continues to explore methods to increase the fund balances of its governmental funds in order to accumulate sufficient reserves to see the Town through any downturns in the economy or increased general governmental needs.

The Town's individual major governmental funds are discussed below.

General Fund. The General Fund is the chief operating fund of the Town of Kiowa. It accounts for all of the general services provided by the Town. At the end of 2016, the fund balance of the General Fund totaled $90,901. This was a $7,194 increase over 2015, due primarily to increases in fees and fines received. The following two tables illustrate General Fund revenues and expenditures.





Road & Street Fund. The Road & Street Fund is utilized to account for street, road, and alley repair, maintenance, and traffic controls. Sales taxes, shared Elbert County road and bridge revenues, and shared Colorado highway users taxes are the main annual revenues of this fund. The fund's annual revenues and the transfer from the General Fund ($15,000) exceeded total expenditures by $20,935 (25.1%). The fund balance improved from -$12,593 to $8,342.

Proprietary Funds. The Town's Water Operations Fund and Wastewater Operations Fund display the same type of information found in the government-wide financial statements, but in more detail. Due to the "break even" operational intent of the Water Operations Fund and the Wastewater Operations Fund, the Unrestricted Net Positions of the two proprietary funds at December 31, 2016 were zero or negligible, as shown below.

Water Operations Fund	$ 350
Wastewater Operations Fund	$ 0

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At December 31, 2016 the Town had invested in a range of capital assets including land, buildings and improvements, vehicles, office equipment, and park equipment. Note 4 of the financial statements provides a summary of changes in capital assets during the year. During 2016, the Town made no purchases of capital equipment..

Debt Administration. The Town had no outstanding bonds or loans.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town of Kiowa has a small local economy in a rural setting along a state highway. The Town has not experienced significant growth or development in recent years. Although regional growth is slowly moving south and east toward Kiowa from the Denver metropolitan area, the Town of Kiowa is not anticipating any significant growth in the foreseeable future. The Town's 2017 Budget anticipates a continuation of these trends.

REQUESTS FOR INFORMATION

This financial report is designed to provide the Town of Kiowa's residents, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds and assets it receives. If you have questions about this report, or should you desire additional financial information, contact the Town's management at Town of Kiowa, 404 Comanche Street, P.O. Box 237, Kiowa, CO 80117.

Town of Kiowa, Colorado
Statement of Net Position
December 31, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Equivalents	$ 14,154	$ 23,216	$ 37,370
Receivables	95,385	-	95,385
Due from Other Governmental Agencies	71,874	-	71,874
Capital Assets:			
Buildings	419,412	-	419,412
Property, Plant and Equipment	277,025	29,997	307,022
Less: Accumulated Depreciation	(430,857)	(29,997)	(460,854)
Total Capital Assets	265,580	-	265,580
Total Assets	446,993	23,216	470,209
LIABILITIES			
Accounts payable and accrued expenses	10,995	22,866	33,861
Total liabilities	10,995	22,866	33,861
Deferred Cash-Inflows			
Deferred Property Taxes	70,044	-	70,044
NET POSITION			
Net investment in capital assets	265,580	-	265,580
Restricted for:			
TABOR	12,008	-	12,008
Unrestricted	88,366	350	88,716
Total net position	$ 365,954	$ 350	$ 366,304

The accompanying notes to financial statements
are an integral part of these statements.

Town of Kiowa, Colorado
Statement of Activities
For the Year Ended December 31, 2016

		Program Revenue			Net (Expense) Revenue and Changes in Net Assets — Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary government							
Governmental Activities							
General Government	$ 104,929	$ 38,903	$ -	$ -	$ (66,026)	$ -	$ (66,026)
Public Safety	167,643	112,797	-	-	(54,846)	-	(54,846)
Public Works	93,913	7,693	-	-	(86,220)	-	(86,220)
Culture and Recreation	31,654	685	10,519	-	(20,450)	-	(20,450)
Total governmental activities	398,139	160,078	10,519	-	(227,542)	-	(227,542)
Business-type activities:							
Water Operations Fund	146,515	146,515	-	-	-	-	-
Wastewater Operations Fund	150,002	150,002	-	-	-	-	-
Total business-type activities	296,517	296,517	-	-	-	-	-
Total primary government	$ 694,656	$ 456,595	$ 10,519	$ -	(227,542)	-	(227,542)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					68,756	-	68,756
Franchise, Highway Users, and misc. taxes and fees					72,041	-	72,041
Sales & SO tax					88,627	-	88,627
Unrestricted investment earnings					52	1	53
Miscellaneous					2,488	-	2,488
Total general revenues, special items, and transfers					231,964	1	231,965
Change in net assets					4,422	1	4,423
Net position - beginning					361,532	349	361,881
Net position - ending					$ 365,954	$ 350	$ 366,304

Town of Kiowa, Colorado
Balance Sheet
Governmental Funds
December 31, 2016

	General Fund	Road and Street Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 12,952	$ -	$ 1,194	$ 14,146
Taxes receivable, net	81,195	-	-	81,195
Due from other funds	3,019	-	-	3,019
Receivable from other governments	71,874	-	-	71,874
Other receivables	-	14,191	-	14,191
Total assets	169,040	14,191	1,194	184,425
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	8,095	2,830	67	10,992
Due to other funds	-	3,019	-	3,019
Total liabilities	8,095	5,849	67	14,011
Deferred Cash Inflows				
Deferred property taxes	70,044	-	-	70,044
Fund balances:				
Restricted: TABOR	12,008	-	-	12,008
Unassigned	78,893	-	-	78,893
Assigned	-	8,342	1,127	9,469
Total fund balances	90,901	8,342	1,127	100,370
Total liabilities and fund balances	$ 169,040	$ 14,191	$ 1,194	$ 184,425

The accompanying notes to financial statements are an integral part of these statements.

Town of Kiowa, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2016

Total fund balance, governmental funds	$	100,370
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		265,580
Adjustment due to rounding		4
Net Assets of Governmental Activities in the Statement of Net Position	$	365,954

The accompanying notes to financial statements
are an integral part of these statements.

Town of Kiowa, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General Fund	Road and Street Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	$ 68,756	$ -	$ -	$ 68,756
SO Tax	11,669	-	-	11,669
Sales taxes	38,939	38,020	-	76,959
Fees and fines	90,861	-	-	90,861
Franchise taxes, licenses and permits	31,707	3,502	-	35,209
Intergovernmental	-	47,676	8,239	55,915
Charges for services	58,081	-	-	58,081
Investment earnings	43	-	8	51
Miscellaneous	5,058	-	-	5,058
Total revenues	305,114	89,198	8,247	402,559
EXPENDITURES				
Current:				
General government	100,738	-	-	100,738
Public safety	160,149	-	-	160,149
Public works	8,764	83,263	-	92,027
Culture and recreation	13,269	-	7,518	20,787
Capital Outlay	-	-	-	-
Total Expenditures	282,920	83,263	7,518	373,701
Excess (deficiency) of revenues over expenditures	22,194	5,935	729	28,858
OTHER FINANCING SOURCES (USES)				
Transfers in	-	15,000	-	15,000
Transfers out	(15,000)	-	-	(15,000)
Total other financing sources and uses	(15,000)	15,000	-	-
Net change in fund balances	7,194	20,935	729	28,858
Fund balances - beginning	83,707	(12,593)	398	71,512
Fund balances - ending	$ 90,901	$ 8,342	$ 1,127	$ 100,370

The accompanying notes to financial statements
are an integral part of these statements.

Town of Kiowa, Colorado

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2016

Net change in fund balances - total governmental funds:	$	28,858
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlay of $0 was less than depreciation of $24,439 in the current period.		(24,439)
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Adjustment Due to Rounding		3
Change in net assets of governmental activities	$	4,422

The accompanying notes to financial statements are an integral part of these statements.

Town of Kiowa, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2016

	Water Operations Fund	Wastewater Operations Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 18,095	$ 5,121	$ 23,216
Total current assets	18,095	5,121	23,216
Non-current assets:			
Capital Assets:			
Equipment and Furniture	14,998	14,999	29,997
Less Accumulated depreciation	(14,998)	(14,999)	(29,997)
Total non-current assets	-	-	-
Total assets	18,095	5,121	23,216
LIABILITIES			
Current Liabilities:			
Accounts payable	17,745	5,121	22,866
Total current liabilities	17,745	5,121	22,866
Total liabilities	17,745	5,121	22,866
NET POSITION			
Unrestricted	350	-	350
Total net position	$ 350	$ -	$ 350

The accompanying notes to financial statements
are an integral part of these statements.

Town of Kiowa, Colorado
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2016

	Water Operations Fund	Wastewater Operations Fund	Total
REVENUES			
Charges for services	$ 146,515	$ 150,003	$ 296,518
Total operating revenues	146,515	150,003	296,518
OPERATING EXPENSES			
Personal services	33,609	26,177	59,786
Contractual services	80,917	65,214	146,131
Utilities	17,443	24,333	41,776
Repairs and maintenance	2,456	22,442	24,898
Other supplies and expenses	3,624	3,412	7,036
Insurance claims and expenses	8,457	8,425	16,882
Total Operating Expenses	146,506	150,003	296,509
Operating income (loss)	9	-	9
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment revenue	1	-	1
Miscellaneous expenses	(9)	-	(9)
Total non-operating revenue (expenses)	(8)	-	(8)
Income (loss) before transfers	1	-	1
Total net position - beginning	349	-	349
Total net position - ending	$ 350	$ -	$ 350

The accompanying notes to financial statements
are an integral part of these statements.

Town of Kiowa, Colorado
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2016

	Business-type Activities- Proprietary Funds		
	Water Operations Fund	**Wastewater Operations Fund**	**Totals**
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Charges for Services	$ 146,515	$ 150,003	$ 296,518
Cash Payments to Suppliers for Goods & Services	(100,552)	(125,473)	(226,025)
Cash Payments for Salaries & Benefits	(33,609)	(26,177)	(59,786)
NET CASH PROVIDED BY OPERATING ACTIVITIES	12,354	(1,647)	10,707
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Miscellaneous Expenses	(8)	-	(8)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(8)	-	(8)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	12,346	(1,647)	10,699
Cash & Cash Equivalents:			
Beginning of Year	5,749	6,768	12,517
End of Year	$ 18,095	$ 5,121	$ 23,216

The accompanying notes to financial statements
are an integral part of these statements.

Town of Kiowa, Colorado
Statement of Cash Flows
Proprietary Funds
for the year ended December 31, 2016
(Continued)

	Business-type Activities- Proprietary Funds		
	Water Operations Fund	Wastewater Operations Fund	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	$ 9	$ -	$ 9
Adjustments to Reconcile Operating Income To Net Cash Provided by Operating Activities:			
Change in Assets and Liabilities:			
Increase (Decrease) in Accounts Payable	12,345	(1,647)	10,698
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 12,354	$ (1,647)	$ 10,707

The accompanying notes to financial statements
are an integral part of these statements.

Town of Kiowa, Colorado
Notes to Financial Statements
December 31, 2016

Note 1 **Summary of Significant Accounting Policies**

The Town of Kiowa (the Town) provides various services to the residents of the Town including parks, police service, roads and streets, and water and sanitation services. The Town is governed by a seven-member Board of Trustees, which is the policy making body of the Town.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Town are discussed below.

Reporting Entity

The Town has no component units for which either discrete or blended presentation is required. The inclusion or exclusion of component units is based on a determination of the elected official's financial accountability to their constituents and whether the financial reporting entity follows the same accountability. Further, the financial statements of the reporting entity should enable the reader to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. The criteria used for determining whether an entity should be included, either blended or discretely presented, includes but is not limited to fiscal dependency, imposition of will, legal standing and the primary recipient services.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities of the Town. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities are financed to a significant extent by fees and charges.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include 1) fees and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues not classified as program revenues, including all taxes, are reported as general revenues.

Separate financial statements are provided for the governmental and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. On an accrual basis, property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

The Town considers property taxes as available if they are collected within 30 days after year-end. Property taxes are recognized as revenue in the fiscal period for which they are levied, providing the available criteria are met.

Those revenues susceptible to accrual are property taxes, sales taxes, interest revenue, and charges for services. Specific ownership taxes collected and held by the county at year-end on behalf of the Town are also recognized as revenue.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met. Expenditure driven grants recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Town reports the following major governmental funds:

> The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The main revenues are property taxes, sales taxes, fines and fees, and charges for services. Personnel costs and public safety are the main expenditures.
>
> The *Road and Street Fund* is used to account for revenues that are to be used for expenditures for the Town's roads and streets. Highway Users Trust Fund monies and sales taxes are the main revenue sources. Personnel costs and maintenance costs are the main expenditures.

The Town reports the following major proprietary funds:

> The *Water Operations Fund* provides services to Kiowa Water and Wastewater Authority for the Authority's operations of the production, treatment, and distribution of water for its users. This fund began in July 2014.
>
> The *Wastewater Operations Fund* provides services to Kiowa Water and Wastewater Authority for the Authority's operations of the collection and treatment of wastewater for its user. This fund began in July 2014.

These two proprietary funds are used to account for operations financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The intent of the Town is that the costs of providing goods and services to its customers on a continuing basis be financed or recovered primarily through user charges.

Additionally, the Town reports the following fund types:

> *Special Revenue Funds* accounts for revenue sources that are legally restricted to expenditures for specific purposes (not including major capital projects).

As a general rule, the effect of Interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expense from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds are charges for services. Operating expenses for enterprise funds include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Liabilities, and Net Assets or Equity

Cash and Investments

Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value. Fair value and actual value are approximately the same.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Due To and Due From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. In the fund financial statements, these receivables and payables are classified as "due from other funds" or "due to other funds." In the government-wide financial statements, all internal balances have been substantially eliminated.

Restricted Cash and Investments

The use of certain cash and investments of the Town is restricted. These cash and investment items are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by debt agreements.

Capital Assets

Capital assets, which include land, buildings, vehicles, water and sewer systems and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Major outlays for capital assets and improvements are capitalized as projects are constructed. The Town adopted a $3,500 capitalization threshold for all funds.

If proprietary fund assets are constructed, interest is capitalized on the assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. There was not any construction during the current year.

The costs of normal maintenance and repairs that do not add to the value of the asset, or materially extend asset lives, are not capitalized. Improvements are capitalized and are depreciated over the remaining useful lives of the related capital assets, as applicable.

Buildings, improvements, vehicles, and equipment of the government are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10 to 40 years
Equipment	3 to 10 years

When depreciable property is acquired, depreciation is included in expense for the year of acquisition for the number of months during the year the asset was in service. When depreciable property is retired or otherwise disposed of, depreciation is included in expense for the number of months in service during the year of retirement, and the related costs including accumulated depreciation are removed from the accounts, with any gain or loss reflected in the statement of revenue, expenses, and changes in fund net assets.

Accumulated Employee Benefit Amounts

After five years of full-time employment, payment for accrued personal leave will be made at the time of dismissal at the rate of 50% of the accumulated hours, not to exceed 160 hours, at the rate of pay at the time of dismissal.

Accumulated unpaid vacation and other employee benefit amounts are reflected in these financial statements.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget Information

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In October, the Town Administrator submits to the Board of Trustees a proposed budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted by the Town to obtain taxpayer comments.

3. Prior to December 31, the budget is legally enacted through passage of a resolution.

4. Authorization to transfer budgeted amounts between funds and revisions that alter the total expenditures of any fund must be approved by the Board of Trustees.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Proprietary Funds.

6. Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or amended.

7. The budgets for the Proprietary Funds are adopted on a comprehensive basis of accounting other than GAAP. The main difference between the budget and the statement of operations is that capital expenditures and bond payments are included as part of the budget, but are not included in the statement of operations. Depreciation is included in the statement of operations, but is not included as a budgeted item. Bond proceeds are considered a source of revenue for budget purposes.

All annual appropriations lapse at the end of the year. A supplemental budget was not adopted during the year.

The Road and Street Fund budgeted an ending deficient fund balance, which may be a violation of Colorado Revised Statutes.

Property Tax

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and are payable in two installments due February 28 and June 15, or in one installment due April 30. Elbert County bills and collects property taxes for the Town. Town property tax revenues are recognized when levied to the extent that they result in current receivables. The Town is permitted to levy taxes on the assessed valuation for general governmental services and for the payment of principal and interest on long-term debt.

Note 2 **Cash and Investments**

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At December 31, 2016, the carrying amount of the Town's deposits was $37,370. The total amount was covered by FDIC insurance and, if applicable, under the provision of the PDPA, which is collateralized in single institution pools.

Investments

The Town can participate with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments and must comply with the same restrictions on cash deposits and investments. (One such trust formed under the statute is ColoTrust.) MCIA's COLOTRUST PRIME and PLUS+ pools are a 2a7-like investment pool. ColoTrust has a Standard and Poor's rating of AAAm.

At December 31, 2016, the Town had $250 invested in ColoTrust.

Note 3 **Water and Wastewater Funds**

On March 10, 2014, the Kiowa Water and Wastewater Authority of Elbert County, Colorado (the "Authority") Board of Directors established, under provisions of Title 37, Article 45.1, Colorado Revised Statutes (the "Water Activity Law"), the Water Enterprise and Wastewater Enterprise of the Kiowa Water and Wastewater Authority which is authorized: (i) to establish or continue to maintain water activity enterprises for the purpose of pursuing or continuing water activities, including water acquisition or water projects or facility activities including the construction, operation, repair and replacement of water or wastewater facilities; and (ii) to issue or reissue bonds, notes or other obligations payable from the revenues derived or to be derived from the function, service, benefits or facility or from any other available funds of the enterprise, the terms and conditions of such bonds or other obligations to be set forth in the resolution authorizing the same. With the establishment of the Authority, the Town sold the majority of its water and wastewater assets for the amount of the Town's outstanding debt, including accrued interest as of December 31, 2014. Beginning in July 2014, the Town's Water Operations Fund and Wastewater Operations Fund reflect the costs of operating the water and wastewater enterprises for the Authority on a contractual basis through an Intergovernmental Agreement.

Note 4 **Capital Assets**

Those assets that were not sold were transferred to general fixed assets at original cost less accumulated depreciation with the exception of older miscellaneous assets.

Capital asset activity for the year ended December 31, 2016, was as follows:

	12/31/2015	Additions	Deletions	12/31/2016
Governmental activities:				
Building and improvements	$ 419,412	$ -	$ -	$ 419,412
Equipment	277,025	-	-	277,025
Total	696,437	-	-	696,437
Less: accumulated deprec	(406,418)	(24,439)	-	(430,857)
Net	$ 290,019	$ (24,439)	$ -	$ 265,580
Business type activities:				
Equipment	29,997	-	-	29,997
Total	29,997	-	-	29,997
Less: accumulated deprec	(29,997)	-	-	(29,997)
Total being deprec	-	$ -	-	-
Total business type activities	$ -			$ -

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental Activities	
General Government	$ 9,897
Public Safety	5,655
Public Works	1,887
Community Development	7,000
Total Depreciation Expense- Governmental Activities	$ 24,439

Note 5 Risk Management

The Town is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Town carries commercial insurance for these risks of loss, including worker's compensation insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage for each of the past three years.

Note 6 Amendment to Colorado Constitution

Colorado voters passed an amendment to the *State Constitution*, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments.

The Town's activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth.

The Amendment excludes from its provision Enterprises. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10 percent of their annual revenue in grants from all state and local governments combined, are excluded from the provisions of the Amendment. The Town is of the opinion that the following operations qualify for this exclusion: Water and Sewer Funds.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. In effect, it has been generally interpreted that fiscal year spending approximates nonexempt revenue or receipts. Spending excludes spending from certain revenue and financial sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves.

The Amendment requires, with certain exceptions, voter approval prior to imposing new taxes, increasing tax rates, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly, causing a net tax revenue gain to any local government.

On November 8, 1994, the voters of the Town of Kiowa voted their approval that taxes be increased by $87,607 annually, beginning in 1995 and by whatever annual amount future collections total from an additional 1.5% sales tax.

On November 4, 1997, the voters of the Town of Kiowa voted their approval that the Town be authorized to collect, retain and expend the full proceeds generated by any revenue source of the Town without any increase in any tax rate, notwithstanding any limitation contained in Article X, Section 20, of the Colorado Constitution and without limiting in any year the amount of other revenues that may be collected and spend by the Town under Article X, Section 20, of the Colorado Constitution.

On April 4, 2000, the voters of the Town of Kiowa voted their approval that the Town be authorized to collect, retain and spend all property tax revenues generated from the mill levy for the general municipal purposes, beginning with 1999 taxes collected in 2000, and continuing for each subsequent year thereafter, notwithstanding the 5.5% limitation imposed by statute and notwithstanding any expenditure revenue raising or other limitation contained within Article X, Section 20, of the Colorado Constitution.

The Amendment requires that Emergency Reserves be established. These reserves must be at least 3 percent of Fiscal Year Spending (excluding bonded debt service). Emergency reserves as of December 31, 2016, totaled $12,008. The Town is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the Amendment. However, the Town has made certain interpretations in the Amendment's language in order to determine its compliance.

Note 7 **Fund Equity**

Non-Spendable Fund Balance

The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory and prepaid amounts) or is legally or contractually required to be maintained intact.

Restricted Fund Balance

The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions, or enabling legislation.

Committed Fund Balance

The portion of fund balance constrained for specific purposes according to the limitations imposed by the Town's highest level of decision-making authority, the Board of Trustees, or other individuals authorized to assign funds to be used for a specific purpose. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

Assigned Fund Balance

The portion of fund balance set aside for planned or intended purposes but is neither restricted nor committed. The intended use may be expressed by the Board of Trustees or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

Unassigned Fund Balance

The residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund.

When both restricted and unrestricted fund balance are available for use, it is the Town's policy to use restricted amounts first. Unrestricted fund balance will be used in the following order: committed, assigned and unassigned.

Note 8 **Retirement Plan**

The Town has a 401(a)-retirement plan for all full-time employees. The Town and employees each contribute 6.2% of qualifying wages. The qualifying wages during 2016 were $199,314 with total contributions of $24,714.

Town of Kiowa, Colorado
Budget and Actual
General Fund
For the year ended December 31, 2016

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Property Taxes	$ 68,820	$ 68,820	$ 68,756
SO Taxes	11,500	11,500	11,669
Sales and miscellaneous taxes	38,000	38,000	38,939
Fees and fines	95,233	95,233	90,861
Licenses and permits	30,765	30,765	31,707
Charges for services	62,443	62,443	58,081
Investment earnings	250	250	43
Miscellaneous	3,850	3,850	5,058
Total revenues	310,861	310,861	305,114
EXPENDITURES			
Current:			
General government	100,615	100,615	100,738
Public Safety	181,950	181,950	160,149
Public Works and Planning	8,212	8,212	8,764
Culture and recreation	19,468	19,468	13,269
Total Expenditures	310,245	310,245	282,920
Excess (deficiency) of revenues over expenditures	616	616	22,194
OTHER FINANCING SOURCES (USES)			
Transfers out	(15,000)	(15,000)	(15,000)
Total other financing sources and uses	(15,000)	(15,000)	(15,000)
SPECIAL ITEM			
Proceeds from sale capital assets	1,000	1,000	-
Net change in fund balances	(13,384)	(13,384)	7,194
Fund balances - beginning	79,427	79,427	83,707
Fund balances - ending	$ 66,043	$ 66,043	$ 90,901

Town of Kiowa, Colorado
Budget and Actual
Road and Street Fund
For the year ended December 31, 2016

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Sales and miscellaneous taxes	$ 37,000	$ 37,000	$ 38,020
Licenses and permits	3,500	3,500	3,502
Intergovernmental	45,388	45,388	47,676
Total revenues	85,888	85,888	89,198
EXPENDITURES			
Current:			
Highways and roads	87,196	87,196	83,263
Total Expenditures	87,196	87,196	83,263
Excess (deficiency) of revenues over expenditures	(1,308)	(1,308)	5,935
OTHER FINANCING SOURCES (USES)			
Transfers in	15,000	15,000	15,000
Total other financing sources and uses	15,000	15,000	15,000
Net change in fund balances	13,692	13,692	20,935
Fund balances - beginning	(13,416)	(13,416)	(12,593)
Fund balances - ending	$ 276	$ 276	$ 8,342

Town of Kiowa, Colorado
Balance Sheet
Other Governmental Funds
December 31, 2016

	Conservation Trust Fund	Total Other Governmental Funds
ASSETS		
Cash and cash equivalents	$ 1,194	$ 1,194
Total assets	1,194	1,194
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	67	67
Total liabilities	67	67
Fund balances:		
Assigned	1,127	1,127
Total fund balances	1,127	1,127
Total liabilities and fund balances	$ 1,194	$ 1,194

Town of Kiowa, Colorado

Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds

For the Year Ended December 31, 2016

	Conservation Trust Fund	Total Other Governmental Funds
REVENUES		
Intergovernmental	$ 8,239	$ 8,239
Investment earnings	8	8
Total revenues	8,247	8,247
EXPENDITURES		
Current:		
Culture and recreation	7,518	7,518
Total Expenditures	7,518	7,518
Excess (deficiency) of revenues over expenditures	729	729
OTHER FINANCING SOURCES (USES)		
Net change in fund balances	729	729
Fund balances - beginning	398	398
Fund balances - ending	$ 1,127	$ 1,127

Town of Kiowa, Colorado
Budget and Actual
Conservation Trust Fund
For the year ended December 31, 2016

	Budgeted Amounts		Actual Amounts,
	Original	Final	Budgetary Basis
REVENUES			
Intergovernmental	$ 7,546	$ 7,546	$ 8,239
Investment earnings	-	-	8
Total revenues	7,546	7,546	8,247
EXPENDITURES			
Current:			
Culture and recreation	7,519	7,519	7,518
Total Expenditures	7,519	7,519	7,518
Excess (deficiency) of revenues over expenditures	27	27	729
Net change in fund balances	27	27	729
Fund balances - beginning	26	26	398
Fund balances - ending	$ 53	$ 53	$ 1,127

Town of Kiowa, Colorado
Budget and Actual
Water Operations Fund
For the year ended December 31, 2016

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	$ 146,684	$ 146,684	$ 146,515
Total revenues	146,684	146,684	146,516
EXPENDITURES			
Personal services	35,634	35,634	33,609
Contractual services	64,681	64,681	80,917
Utilities	19,623	19,623	17,443
Repairs and maintenance	10,100	10,100	2,456
Other supplies and expenses	4,000	4,000	3,624
Insurance claims and expenses	7,445	7,445	8,457
Capital Outlay	-	-	-
Miscellaneous	5,201	5,201	9
Total expenditures	146,684	146,684	146,515
Revenues over (under) expenditures	-	-	1
Change in net position	-	-	1
Net Position - beginning	349	349	349
Net Position - ending	$ 349	$ 349	$ 350

Town of Kiowa, Colorado
Budget and Actual
Wastewater Operations Fund
For the year ended December 31, 2016

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	Original	Final	
REVENUES			
Charges for Services	$ 165,699	$ 165,699	$ 150,003
Total revenues	165,699	165,699	150,003
EXPENDITURES			
Personal services	27,972	27,972	26,177
Contractual services	71,142	71,142	65,214
Utilities	29,691	29,691	24,333
Repairs and maintenance	18,100	18,100	22,442
Other supplies and expenses	6,350	6,350	3,412
Insurance claims and expenses	7,445	7,445	8,425
Miscellaneous	4,999	4,999	-
Total expenditures	165,699	165,699	150,003
Revenues over (under) expenditures	-	-	-
Net position - beginning	-	-	-
Net position - ending	$ -	$ -	$ -

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Kiowa
		YEAR ENDING : December 2016
This Information From The Records Of Town of Kiowa	Prepared By: Phone:	Lorraine Trotter, Prof'l Mgmt Solutions 303-910-9197

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	53,020
4. Miscellaneous local receipts (from page 2)	24,881
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	77,901
B. Private Contributions	
C. Receipts from State government (from page 2)	26,297
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	104,198

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	32,244
3. Road and street services:	
a. Traffic control operations	7,096
b. Snow and ice removal	2,803
c. Other	
d. Total (a. through c.)	9,899
4. General administration & miscellaneous	8,120
5. Highway law enforcement and safety	33,000
6. Total (1 through 5)	83,263
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	83,263

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
(12,593)	104,198	83,263	8,342	0

Notes and Comments:

FORM FHWA-536 (Rev. 1-05) (Next Page)

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2016

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes	38,020	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	15,000	g. Other Misc. Receipts	
6. Total (1. through 5.)	53,020	h. Other County Road & Bridge	24,881
c. Total (a. + b.)	53,020	i. Total (a. through h.)	24,881
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	22,795	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	3,502	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	3,502	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	26,297	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05)